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VAN NUYS HISTORY

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The history of the San Fernando Valley has been written over and over again in terms of tangibles. Who owned this and when. So many people then and so many people now. So much money then, so much money now. There is another story about the growth and development of the San Fernando Valley that deals with an intangible. Just one word "Faith" That story was written in the decade of approximately 1910 to 1920. Faith.

If the story were enough of importance to justify a title I would like to go to Genesis where it says "There were giants in those days" Because I lived intimately with the things that were being done in that decade and because I am probably the only one still living who did have personal knowledge of the great many of the details events and incidents - I've been asked tell somethings of that for what it may or may not be worth.

Faith in that narrative would be the dominantword throughout. For instance. The very organization of the Suburban Homes Company that created and made possible the marvelous things done in the Valley in the 1950s was an evidence of faith hard to find parallel anyplace that I've ever heard. Faith of men in themselves. Faith of men in each other. Faith of men in their country. That combined faith created faith in thousands of investors and home-seekers that laid the foundation for what we have now in and around Van Nuys. The giants of speak of and remember as such were: General Harrison G. Otis, the head of the Los Angeles Times - his son-in-law Harry Chandler, Of F. Brant, the head of the Title Insurance and Trust Co. H. J. Whitley, who had already made outstanding successes as a town builder and M. H. Sherman who with his brother-in-law was the pioneer Electric Railroad builder, Suburban Railroad builder in Southern California and added to them at a later date one W. P. Whitsett.

To go back to the organization which is in itself, well lets say a monument almost of Faith. In Sept. 1909 Harry Chandler secured an option to buy from the Los Angeles Farming and Milling Company 47,000 acres. The largest owner in the Farming and Milling Company was I. N. Van Nuys. He and Whitley and Brant and Sherman and I presume his father-in-law discussed it for many many years. In fact when I started working for Mr. Whitley in 1900 one of the first things I found in the file was

correspondence concerning buying land. A portion of these lands out here, between Whitley and Lankershim. Alright, go back to this organization. These men called up their friends, talked about it, told them about it. They divided the thing, I have to call it a Thing. It never did have a legal entity. They divided it into thirty parts. Each thirty men put up $25,000.00, which gave a total of $750,000.00. They became known as participants. They received a receipt from the Title Insurance and Trust Co. for $25,000.00 which entitled them to 1/30th interest in the right to purchase the Van Nuys Lankershim lands and believe it or not thats all they ever had for their money, outside of a lot of dividends. There was no stock, there was no organization, there was just Faith. Alright that started them out with $750,000.00. The purchase price of the land was $2,500,000.00. They paid $500,000.00 to the Farming and Milling Co. and gaily assumed the debt of $2,000,000.00, due $500,000.00 a year for four years. The Farming and Milling Company deeded the land - first as I recollect it, to one B. F. Elliott, then to the Title Insurance and Trust Co. into a trust, the general terms of which were that if they received their $2,000,000.00 then the purchasers could do as they saw fit with the lands. If they did'nt receive the $2,000,000.00 they deeded it back to them. Faith. Mr. Van Nuys had so much faith in Mr. Chandler and the others that he would get this $2,000,000.00 that he let contracts to build the present I. N. Van Nuys Building on 7th and Spring in Los Angeles. They paid the money and he built the building. When you stop to analyse it it was all based on faith. They had faith in one another and faith in themselves and faith in their country. Then as to organization. I was called into the picture early in 1910 to work out the office details and draw various documents and instruments that would evidence all of their transactions and became purchasing agent. Mr. Whitley was manager and I as his secretary became secretary and they just took a name - Los Angeles Suburban Homes Company. But remember there was no stock. They were just participants with the right to buy. They never did get any stock. They had faith. Then the board issued a unilateral agreement with these participants terms of which roughly were something like this - they proposed to survey and subdivide the 47,000 acres and put prices on it for sale. Every participant had the right to select for $30,000.00 one hundred and fifty thousand

dollars worth of land at the prices to be set by the board, which would be the same prices at which the land would be thereafter offered to the public. As I recollect there was a 5% differential to make up for odd pieces. The board further stipulated that, remember this was a unilateral can't say it was agreement it was just - they just told them, that they could select the lands if the board was able to within five years get a deed for these selected parcels of land, then each member, without the participant having to put up any more money. Then each member of the board was to receive $100,000.00 as compsenation. If for any reason they asked the participants to put up any money other than the original $25,000.00 no member of the board would get anything. How is that an example of Faith of men in themselves and faith of men in other men. Now this is in 1910. Then in 1911 there was another giant added to this bunch. A man by the name of Whitsett. He added to the faith these men had in them selves and each other and in their country, a religious faith. His decisions were - I lived with him for seven years, his decisions were always acutated "Whats right" He was the one active religious man of the six. But he had just as much faith in himself and in them and in his country as the others did, in fact I know because he has told me, he never would have bought into Van Nuys except that he had faith that the five other men would make good on the material side of the development necessary.

This brings us down to 1911. Now right about here comes the most amazing exibition of faith of all. As I said Mr. Whitsett bought an undivided half interest in the townsite of Van Nuys, paid real money for it. He was made sales manager. As I think he would tell you himself if he were here, he would'nt have done that if he did'nt have faith that these other men were goiung to supply the ~~six~~ things that were needed to make a town which were everything because at that time there were no roads, there were no lights, there was no water, no gas, no telephone. There was just outdoors, with a ditch dug down through themiddle of it on which it was proposed to have an electric railroad. The transportation was by automobile or train and I think as I remember regular train service was twice a week. With powerful advertising and the use of the prestige and reputation of these six men, because Whitsett himself had become a big timer by that time because of the outstanding success he had made in developing and building in what

is now Huntington Park. By the advertised prestige of these men, or rather put it this way, the advertised prestige of these men caused thousands of people to buy lots and to buy land just because they had faith in these men and would make good in what they were proposing to do. Although I must admit, because I wrote or supervised every word of advertising copy, there were no direct promises to do any of these things. We did'nt dare because we did'nt know for sure how far we might go, but because these men had faith in themselves and in each other they imbued that faith into thousands of investors who built homes, stores like of that, so much so that the town became top heavy. Whitsett had to provide industry for them. The poultry industry. He put a lot of money, lost it, in an organ factory, which brought a very goodly number of very high class, high priced mechanics, who made most excellent citizens, whose families today are numbered among the outstanding people. But these men did make good. They used the money that came from sales, they borrowed tremendously, they stuck behind everything we asked that was reasonable for development of industry, they subscribed land and money for churches, schools, they even hired an attorney especially to organize preliminaries school districts, voted bonds, before we came into the city. Remember there was no water. Though there was a well, out on Van Nuys Blvd. about opposite the Savings and Loan Ass'n office, but it soon proved inadequate, we had to drill wells in the western part of the valley. For a long time we brought water down from what is now Sherman Way, from Canoga Park. Of course when they annexed to the city the city put in water mains, that was taken care of. We had to deal with the Edison Company. That happened to be in my department. Cause the Edison Co. had faith in these men that they would make good, they extended their lines out here. I can't remember that we even gave them a bonus. We had no telephone. That again happened to be in my department. I made all the negotiations. Some of the head men from the east came out. The only argument I had was the prestige and reputation of these men. They extended their lines to Van Nuys and the only bonus we gave them was a 25 ft. lot on Sylvan St. on the alley. Thats faith.

But the real dynamic center of all these things from 1911, 1912, 1913 was Van Nuys. Whitsett was a most dynamic personality in those days. He has'nt lost it yet, that I ever knew. I never knew a man that could think of more ways to attract business than that man could. He kept dozens of

salesmen on their toes almost literally night and day. He evolved ways of getting people out to the new town. An overall dynamic personallity I think unquestionably was the large contributing factor to the establishment of Van Nuys as a town or as I've heard Otis say many times in board meeting "We don't want to sell a townsite, we want to build a town" and Whitsett built a town.

Its almost impossible for one who did not see it to realize the immense amount of selling, salesmanship, promotional ideas, energy, endurance to accomplish what was accomplished in the early part of this decade because no one looking at things as they are now can quite imagine that then there was nothing here but a flat level plain, that is to start with. In early 1911, from the center of Van Nuys, there could not be seen a house or a tree. Just grain fields. Had Whitsett been deficient in or lacked this special dynamic constructive imaginative salesmanship I doubt if this project would have been a success, for there were times, even at that, when it was not too sure because the board of control, after they had sold a half interest in Van Nuys to Whitsett, put Janss Co. on a competetive job on another townsite out at what was then called Owensmouth, now Canoga Park, and until Whitsett bought out the other half interest, I jointly administered the Van Nuys with him. I think that took about seven years, and I know the obstacles he had to overcome. Not only from the standpoint of the lack of things actually that he was able to show customers but from the competition of rival real estate concerns. Oh Lord how the winds used to blow those days and there was nothing to stop it. While I am thinking about I want talk a little about flood waters. I know that Mr. Whisett has been criticized because of the location of the townsite. I have heard it many times. But I happen to know the situation exactly and precisley from personal knowledge. He had nothing to do with locating thetownsite as it is. It was here and there were survey stakes on it before he ever saw it. When I was brought into the picture in 1910 I had the crazy notion that I wanted to be country banker. I had started a small bank in a town called Corcoran. I had just gotten through selling that town and the country around it and was pretty cocky. Thought I knew a lot of things that I know now that I did'nt know. But anyhow. In helping to reorganize the office I was shown a map of the tract of the 47,000 acres and sketched into it some townsites. The first townsite, it had

not been named as yet, I'll tell you how it got named later, was laid ou with the Southern Pacific tracks running right through the middle of it. Half on the north side and half on the south side. I criticized that lay-out very very much. One of the engineers took offence at my criticiz the boss sided in with him, we had quite an argument and Whitley came over a past master at townsite stuff and settle the argument very promptly in that no town should be laid out that way. They were simply starting out with a northside southside fight before we ever got going at all. Rowan cooled off and asked me to go with him out to the valley with him the next day. He brought me out, showed me on the ground about where this pencilled outline of the townsite would be and called my attention to the wash conditions above. A series of a number of shallow washes fingering out across the valley and finally crossing out to the Southern Pacific about where Tyrone would cross now. He said he wanted to put the townsite at a point about where Sepulveda and the westerly estention of what would be the S.S. extention of Chandler Blvd. because he said the new proposed railroad would come into and serve the town and go north and serve San Fernando without having to cross the wash twice. I immediately took the matter up with the board and ran into this. The board was at that time tyring to buy the Encino Ranch and they were not getting along very well with the Amstoys who owned it. In fact they did not get along at all. Whitley and Otis were men who were jealous. They figured that if we put the town site over at Sepulveda and Chandler it would be close enough to the Encino Ranch for those people to get some benefit from it and just for that they just did'nt like the idea and I was never able to talk them out of their viewpoint. Just about that time, this is all in early 1910 remember, just about that time there is another little event that illustrates faith. I received a telephone call from Mr. Chandler to come to his office. Went there and met one of the homliest and nicest man I have ever met in my life. His name was Charles P. Groggin, known as the olive king. He owned severl hundred acres north of the lands that we were buying. Osa planted apricots. They wanted to buy some more land. We dickered around back and forth. I left the office with Mr. Groggin's check for $64,000.00 payable to the Title Insurance and Trust Co.. Mr. Groggin left there with a little piece of paper on which I had typed on Mr. Chandler's sec retarys

typewriter, a receipt something like this: Received from Charles P. Groggin the sum of $64,000.00 for which I agree that within five years he shall receive the deed for a section of land, the northerly boundary of which will be the northerly boundary of the so-called Van Nuys-Lankershim lands, the westerly boundary to be an extention of the main street through the first town built in the Van Nuys Lankershim lands, signed, Chandler. Now remember there was a $2,000,000.00 debt on the 47,000 acres and we did not have title but Groggin had faith that Chandler would produce him his deed and fork over $64,000.00 which we could use for a very good purpose. Well that settled the question of the location of Van Nuys because we had to pull it to the east of the location known by Rowan. we finally compromised by putting most of it north of the Southern Pacific instead of south of the Southern Pacific because even when we tried to put it south of the Southern Pacific we found objections from which Whitsett and Otis. Whitley and Otis. So along sometime late in the spring of 1910 thelocation of the town was set by virture of the circumstances I've just told you about. So Whitsett came along in 1911 it was already here and he did not have a damn thing to do with putting it in the path of a wash. He took it the way he found it and proceeded to sell it. As I say he bought an undivided half interest, after a few years bought out the other undivided half. In addition to that bought many hundreds of acres of adjacent lands on which he promoted poultry industry and orchards industries and manufacturing and farming to help to support the town that he had sold out. In fact his major land purchased were made right after we got into the world war one when some of the participants were very panicy and because he had faith in himself and faith in this place here, he bought the participants out of - I forget not of how many hundreds of acres of land - beginning apporximately about where Burbank - running in a strip between Woodman and Fulton from Burbank north to Valerio and west from Valerio to along Valerio to Van Nuys Blvd. Roughly thats what he bought from some of the participants who were panicky. He had faith, they did'nt. I'll let him tell, if he wants, some ofthe other things. He bought a section of ground across from what is now the Chevrolet at $250.00 per acre. But I don't think he would object to my saying I happen to know how he bought all these lands. He insisted that when he bought these lands, they be clear for

for him to sell as he saw fit. The only terms he would ever make was to give his personal unsecured note for the purchase price due on or before five years at five percent. And by golly they all took his notes, and by golly he paid them all before they were due. This I happen to know because I handled his transactions for the participants and for the Trust Company. These men would rather take Whitsett's note on or before five years at five percent than the land. He had faith in the land, they had faith in the man. When it comes to figuring there is'nt much difference, except, well I don't know if there is much difference. There are countless incidents of that nature, particularly through the first half of the decade I speak of where it would have been impossible of accomplishment if there had'nt been faith ofmen in one another and faith in this good rich land with the promise, remember then it was'nt even a promise, it was only a prospect, that it would have water. Faith that good rich land with the prospect of water would ultimately justify sacrifice, obligation, hard work, debt, payment of interest, all the things that go with speculation.

These things that I have spoken of, told about, remember, the things that I saw, the things that I heard, in a small way, things I helped to do, in other words this testimony from personal knowledge, and association. So for whatever it is worth, is the story of what for years has seemed to me to have been a rather outstanding exibition of Faith. The story I wanted to tell and and as I have said, asked to tell it because I happen to be the one still alive who saw and heard these things being done. For an end of that perhaps I could just tell my favorite story about two old fellows watching some boys playing football. One old fellow says" Gee it would be great to be young" The other old fellow says "Yes, it was"

Good-bye.

Clarence just asked me to tell what I know about why headwaters go down Tyrone street instead of someplace else. It happens that I really do know why. I've already told about how the townsite happened to be located where it is. There was a culvert under the Southern Pacific about where Kester intersects at present. There was a well defined channel running southwesterly to a point a little south of Saticoy. From there it spread out into a number of smaller channels. At times of flood the water might

go one year in one channel, one in another but genrally in several, but they all ultimately ~~xxx~~ had to go ~~xx~~ under another culvert under the Southern Pacific tracks about where Tyrone now intersects the tracks. After a number of disasterous flood in 1912-13-14 it became apparent that something must be done. The firm of O'Melveny and so forth were our attorneys. A young attorney named Tuller was assigned to take care of our business. I came out with Mr. Tuller and as our legal advisor and Mr. V. J. Rowan, the surveyor, to try and figure out what was wise, proper and necessary to do, because it was becoming apparent that we ~~c~~ould'nt have water running in a dozen different channels, perhaps even to the center of our new town, which was then at what is now Sylvan and Van Nuys Blvd. Tuller advised us that we, under the law were compelled to receive the water where we got it from the main course, which would be in this main channel at about at Saticoy St. we must deliver it to where it had been flowing for a number of years under Tyrone, that we had a right to pick out anything we saw fit in between as a channel and connect those two. We tramped through the brush and cactus picking out various channels and Mr. Rowan and Mr. Tuller outlined, I remember we stuck out lathe along, what seemed to us to be the main channel, with the idea that that be improved to connect and make one continuous channel which would go down Tyrone St. and thence to the low road. At that point I sqauked like the very dickens because the channel they picked out ran through a corner of a ranch I owned at that time, twanty acres on the north east corner of Van Nuys Blvd. and Vanowen St. But I was told by Mr. Tuller that as owner of that land I was one person and as secretary of the Suburban Homes Co. I was another. I had asked him and Mr. Rowan for proffessional advice and they were giving it and that was that, the channel went through my ranch and down Tyrone St. With an immense amount of open land to receive rainfall there was not as much water to take care of as there was later when paved roads and thousands of acres of roofs were put in the way. But thats the reason water runs down Tyrone St. Mr. Whitsett had no part in or nothing to do with the wash location I've just spoken of. This was a matter that pertained to the Suburban Homes Co. was a legal matter, an engineering matter, happened to fall in my department and as I've said I had full knowledge of everything that was done and why. I've just told you why. I would have preferred having

it run someplace than through my ranch but the attorney and the surveyor said no, so it went through my ranch. In other words we were advised by a competent engineer and a competent attorney that we had the right to choose what appeared to be the main or largest one of a number of flood channels and improve that enough and enlarge that enough to take care of all of the water, flood water, that was turned down on us through the culvert at Kester and the Southern Pacific. That channel lead directly to Tyrone St. and through my ranch.

Clarence insert this in the place where we are talking about the activity of selling Van Nuys townsite. In over a half century of rather hectic activity in which I have had to travel in pretty fast company I never knew anyone who anywheres near approached W. P. Whitsett in being able to figure out work for the other fellow to do. End of Quote.